

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6348

BILL NUMBER: HB 1079

NOTE PREPARED: Nov 22, 2006

BILL AMENDED:

SUBJECT: Lifetime Hunting Licenses for Military Personnel.

FIRST AUTHOR: Rep. Tincher

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill allows a resident who serves on active duty outside the continental United States during a certain period in the armed forces of the United States or the Indiana National Guard to purchase a lifetime hunting, fishing, or trapping license.

Effective Date: Upon passage.

Explanation of State Expenditures: The Department of Natural Resources (DNR) will experience an increase in administrative expenses associated with re-establishing the lifetime licenses for certain individuals; however, the fee established for the license could be used to pay for any additional administrative expense.

Explanation of State Revenues: Before July 1, 2005, the DNR could issue lifetime licenses. However, Public Law 225-2005 stipulated that provisions pertaining to the lifetime licenses applied only prior to July 1, 2005. This proposal provides that an Indiana resident is entitled to purchase a lifetime license if the individual can document that he or she served on active duty in the U.S. armed forces or the National Guard outside the continental United States between May 31, 2005, and July 1, 2011.

Although the number of eligible individuals who will purchase a license is indeterminable, as of September 22, 2006, 1,453 Indiana National Guard were mobilized. A total of 10,349 had been mobilized since 2001. Using these statistics, around 2,000 are mobilized each year, for an additional 10,000 by 2011. Given these figures and assuming that all are eligible and that all apply for the lifetime license, approximately 12,000 could be sold. However, less than 8% of the population hunts, which brings the estimated number of individuals down to less than 1,000.

The fee for a comprehensive lifetime hunting and fishing license prior to July 2005 was \$1,154. IC 14-22-12-7 provided that all money received for this license must be deposited in the Lifetime License Trust Fund (LLTF). IC 14-22-4-6 provides that all accumulated earnings in the LLTF plus 2.5% of the money in the fund less the accumulated earnings must be transferred to the Fish and Wildlife Fund (FWF) to maintain the automated point-of-sale licensing system. Any unused part of the transfer may be used for operating expenses or for the acquisition of real property that will be used and managed for hunting and fishing. The money used to acquire real property may not exceed 50% of the appraised value of the real property.

Based on the sale of one lifetime license at \$1,154, the Divisions of Law Enforcement and Fish and Wildlife could receive 2.5%, or approximately \$29, plus approximately \$11 in interest, for a total of \$40. If an individual purchased from the DNR an annual license for hunting and fishing at \$20.75, turkey hunting at \$23, a game bird habitat stamp at \$6.75, a deer firearms license at \$24, and a deer muzzle loader license at \$24, the total license revenue collected, or \$98.50, would be deposited in the FWF to finance the operations of the Divisions of Law Enforcement and Fish and Wildlife.

Lifetime hunting and fishing licenses and the LLTF were authorized in 1983. Prior to July 2005, the DNR sold over 42,000 lifetime licenses. The lifetime license fee is the annual license fee multiplied by 20. Use of a lifetime license beyond 20 years could result in less revenue generated relative to annual purchases.

As of November 2006, the LLTF had a balance of approximately \$755,000.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DNR

Local Agencies Affected:

Information Sources: DNR; LTC Gerald Hadley with the Indiana National Guard, 317-247-3222; State Auditor's Data.

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.